

Creating the Post-Industrial City: A Study in Conflict

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by

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## **Introduction**

The post-industrial city is a term used in academia to describe cities with a certain occupational composition, geographic organization and relationship to other cities. The post-industrial city is distinctive in terms of its division of labor, the spatial distribution of people across its landscape and an increasing emphasis on revitalization projects, particularly in the central business district. This type of city stands in stark contrast to urban centers built up during the industrial revolution, where city centers were the primary location of business, retail and industry. Cleveland, Detroit, Pittsburgh and Buffalo are examples of compact and densely populated cities that grew rapidly during this time in American history because of their importance in manufacturing. Such robust growth and economic prosperity became associated with industrial towns and cities. But following the Great Depression and World War II, the economic sectors on which their growth was based went into relative decline. Cities which built their fortunes around steel mills and factories now saw dramatic changes in their economies as businesses began to close and people left for the surrounding suburbs, beginning in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries. This was initially facilitated by trolley cars originating in the city center and then moving out into higher class neighborhoods. Automobile use and the construction of superhighways, capable of transporting people to and from the city and all points in between led to rapid suburbanization in the 20<sup>th</sup> century. Such decline was sometimes accompanied by growth of a more post-industrial nature creating a new post-industrial city: an urban center which was well connected with other population centers, diverse in its labor force but primarily composed of people in the tertiary and quaternary sectors of the economy. As one might imagine, cities in transition suffer from inherent conflict, spawned to some degree by inherent differences of opinion within the local population, especially between public and private interests. The purpose of this research is to examine the inherent conflict surrounding the creation and formation of the post-industrial city and put it in perspective. While there is a considerable amount of literature on the development of the post-industrial city, little has been said about the tensions in a city where knowledge and innovation are the main drivers of economic growth and prosperity.

## **Contextualizing the Post-Industrial City**

### **The Post-Industrial Society**

Just like cities, mankind has undergone many transformations. For the better part of their existence, human beings lived off the land as hunter gatherers and then as farmers, engaging in subsistence farming practices in order to make a living. Over time, the development of what are considered ancient technologies today provided people with more efficient means of farming and thus improved their quality of life. Anything that helped reduce labor-intensive work on the farm was seen as progress. Up until the late 1880s, agriculture was an essential part of life, both in the United States and in Europe. However, this too began to change with the onset of the industrial revolution and agricultural mechanization. By 1920, agricultural employment had been surpassed by manufacturing industry (Clark 1985: 5). But this phase of industrial growth and development did not last nearly as long as its predecessor, quickly giving way to what some consider to be the service economy or the information age. But it was not until the 1950s and 1960s that people began to study this transformation in society, conceptualize it and speculate about its future. While this idea of the post-industrial society is no longer the most discussed issue in academic circles, the American sociologist David Bell was quite successful in spawning thought-provoking conversations on the issues and matters relating to it, including that of the post-industrial city.

The post-industrial society referred to a change from an industrial-based economy, relying on mass production, to one that is more focused on forms of industry that are knowledge-intensive and often defined as part of the service sector. Knowledge-intensive forms of industry include health care, higher education, design intensive forms of product, consultancy services, research and development. Supporting services in this new economy included such things as banking, real estate, accounting, law and transportation. In other words, the post-industrial society sees a shift in occupational composition from being predominately made up of blue-collar workers to being dominated by white-collar workers. Such shifts are observed in Table 1.

Up until the late 1940s, people engaged in the mass-production of manufactured goods retained a slim majority in the labor force. For the most part, people in this line of work required very little education and simply needed training in order to carry out a specific task. Henry Ford had been a pioneer in developing this mode of production in order to produce hundreds of his automobiles and his model spread to other industries. For quite a while this method of producing

goods met public demand, but after 1950 this too started to decline. As Table 1 clearly shows, the service sector surpassed the manufacturing industry in 1950 and over the next few years saw its presence in the economy grow. With it came an expansion in different types of employment, requiring young people to further their education. For the first time access to better job opportunities depended upon the amount of education a person received, and not an individual's capacity to perform repetitive tasks, requiring brute strength, high endurance and quite repetitive forms of thought.

Table 1: Employment by Industry 1950 and 1980

	1950 (millions of people)	1950 (% of employment)	1980 (millions of people)	1980 (% of employment)
<b>Goods-producing total</b>	<b>26.5</b>	<b>49</b>	<b>31.8</b>	<b>33</b>
Agriculture, forestry and fishing	6.9	13	3.4	3
Mining	0.9	2	0.9	1
Construction	3.4	6	6	6
Manufacturing	15.3	28	21.5	23
<b>Service-producing total</b>	<b>27.8</b>	<b>51</b>	<b>64.9</b>	<b>66</b>
Transportation and utilities	2.9	5	6.3	7
Trade (wholesale and retail)	10.5	19	19.7	20
Finance, insurance and real estate	1.9	3	5.8	6
Personal, professional, and business services	10.1	20	27.9	28
Public Administration	2.4	4	5.2	5

Source: Statistical Abstract of the United States 1954, Table 2401, and 1981. Table 658.

Taken from David Clark: *Post Industrial America*

What is even more remarkable is to observe agriculture and related forms of occupation virtually vanish. Between 1950 and 1980, the fraction of the labor force engaged in these occupations declined by 10 percent, the most significant drop in employment in any sector of the economy. Today (Table 2), agriculture accounts for a mere 1.6 percent of the total labor force.

Overall, Tables 1 and 2 present a situation where white-collar workers are becoming the dominant occupational stratum in society. While this transformation in the division of labor has occurred over a long period of time, its impact on society has been profound, both in its social and spatial organization. And it is interesting to see that since 1950, government has also

expanded, and accounted for nearly 5 percent of the total work force in 2004. Later within the context of this paper, the role of government will be further examined, because it has played a crucial part in constructing the post-industrial society and city.

Table 2: Employment by Industry 2004	2004 (thousands of people)	2004 (% of people)
Agriculture and related industries	2,232	1.6
Mining	539	0.4
Construction	10,768	7.7
Manufacturing	16,484	11.8
Wholesale trade	4,600	3.3
Retail trade	16,269	11.7
Transportation and utilities	7,013	5
Information	3,463	2.5
Telecommunications	1,273	0.9
Financial activities	9,969	7.2
Professional and business services	14,108	10.1
Professional and technical services	8,386	6
Management, administrative, waste services	5,722	4.1
Education and health services	28,719	20.6
Education services	12,058	8.7
Health care and social assistance	16,661	12
Leisure and hospitality	11,820	8.5
Arts, entertainment and recreation	2,690	1.9
Accommodation and food services	9,131	6.6
Other services	6,903	5
Government workers	6,365	4.6
Source: Statistical Abstract of the United States 2004, Table 608. Total Work Force 139,252,000 To get percentage, round to nearest tenth.		

Since Bell's work on *The Coming of the Post-Industrial Society*, many people have written on this subject. In each presentation of it, human development has been characterized by three stages, each given its character by the branch of labor dominant at that time: agriculture, industry and services. In the agricultural-based society, people survived on subsistence farming, a method of production that preempted the need for the exchange of goods in society. Thus in agrarian society, the

division of labor was simple and not complex. The industrial revolution was indeed revolutionary, because it diversified the labor force. It allowed people to mass-produce goods on a scale not previously seen in human history due to significant technological breakthroughs in society. As a result, industrialized countries increased their wealth, raising the standard of living for a majority of their citizens.

During this transition, agricultural productivity continued to increase, but with less people in the work force. After the Great Depression and World War II, the United States

economy again began to shift, this time focusing on the service sector and knowledge-intensive forms of industry. Different growth sectors during this period included engineering, medical science, pharmaceuticals, education and later, telecommunications. At each stage of development changes in society impacted the make-up and layout of the urban landscape. In *The Coming of Post-Industrial City*, Bell argued that society is centered about an axis which influences decision making processes. These axial or stages of development change from time to time and thus cause society to react and adjust, challenging current thought processes and ultimately altering the division of labor (Bell 1973: 117). The post-industrial city reflects such shifts in the attitudes, beliefs and means of production that society has come to know and use to its advantage (Atkinson 2004: 27).

### **The Post-Industrial City**

From agriculture to an industrial society, and from an industrial to a post-industrial society, each shift has been accompanied by changes in geography. With the development of an industrial society, the big geographic change was the concentration of people and industry in urban areas. This was based in part on migration from rural areas since agriculture no longer needed such a substantial labor force due to mechanization. More recently alongside the change from industrial to a post-industrial society, people claim to see a post-industrial city emerging. According to the literature, this is a city in which the central business district is characterized by banking, commerce, entertainment and other office and service activities. The downtown of many cities is also becoming the cultural center of the larger metropolitan area, with theatrical performances and festivals taking place. Cities are deliberately taking steps to make them more presentable in order to attract conferences, investment and other tourist activities. Industry on the other hand, has all but disappeared from the center of the post-industrial city and relocated to smaller towns and suburban communities outside the city limits. In their wake, their old physical shells are either being condemned or redeveloped into luxury apartments or entertainment and retail venues.

In addition to redefining the central city, the post-industrial city is also a conglomerate of professionals and non-professionals, both of which are engaged in service sector-related industries. This is much different from cities of the industrial era, because their economies were centered on one form of industry. Today's post-industrial city is characterized as such because

its division of labor is diverse, yet more oriented toward the innovative, knowledge intensive and knowledge producing industries that continue to spur growth. In this way, such cities offer a variety of employment opportunities, making them more adept and capable of dealing with changes in the economy. This flexibility is the result of new and improved technologies (Cortada 2002: 62). Conversely, Fainstein et al in *Restructuring the City* demonstrate how change can be a slow and challenging process. In their book are accounts of several industrialized cities, such as Detroit and New Orleans, where shifts in the economy were not adequately addressed and now pose a significant hurdle for those communities to overcome.

Stanback and Noyelle in *Cities in Transition* have theorized three major causes for significant changes in the city; the increasing size of markets, the rise of corporate headquarters and the growth of government and non-profit institutions (Stanback & Noyelle 1982: 10). With continued advancements in technology, cities and their business clienteles have access to larger markets outside of their immediate vicinity. This creates opportunities for growth and specialization in the production of certain goods and services. Businesses and corporations find access to a variety of goods and services profitable. If cities have access to larger markets, their prospects for business investment and growth increase. The rise of corporate headquarters in cities has also transformed the landscape by creating new services and industries. This makes cities more attractive to investors and perpetuates growth. Growth in government and non-profit institutions is the result of and need for research and development. This has been financially supported at all levels of government, particularly at the local level. The changes discussed by Stanback and Noyelle have diversified the labor force in many communities in order to meet the demands of a post-industrial society.

The post-industrial city is a dynamic place, where employment opportunities are diverse and where people (for the most part) are socially, economically and ethnically segregated. This is much different from the industrial city, where the work force was primarily engaged in manufacturing and labor intensive activities. It was also densely populated and consolidated; people lived close to their place of employment. Although the cause for such dramatic changes in urban centers will be addressed, the focus of this research is to examine the conflicts that have occurred in creating the post-industrial city. Understanding that the post-industrial city is a reflection and direct consequence of restructuring society will give these contentious issues more clarity and meaning.

## **1. *Establishing Pre-Conditions: The Central City Problem***

Before the post-industrial city was ever discussed, cities and towns alike were engaged in industrial activities. Industrial activities usually required a significant amount of land and a large number of people in order to perform the labor-intensive tasks. People living in rural communities outside the cities, as well as migrants from Europe, saw the industrialized city as a place of refuge; a way to escape the harsh realities of living life on the farm. In doing so, families met the needs of an industrializing society by providing the labor force it needed to function. Due to limits on daily mobility at the time, families were forced to live in close proximity to their place of employment. In essence there was a unique relationship between society, the city and its industrial base. For a brief time these three modes of organization worked in tandem with one another, but this began to disintegrate early in the 20<sup>th</sup> century.

Over the years cities became densely populated, as more and more people relocated to the inner cities. This inherently put stress on local governments and other associated authorities to address issues such as air pollution, overcrowding and other services performed by the city as a result of urbanization. Conditions in the city deteriorated rapidly, causing it to no longer be an optimal place to work or raise children. Thus, those who could afford to move beyond the city limits did so into smaller suburban communities. Although people began moving away in the early 1900s, the automobile and the construction of an intricate network of highways financed by state and federal governments, significantly enhanced this mass exodus from the city, particularly after World War II (Mills 1969: 12). This movement of people, industry and business, as one could imagine, had a direct impact on cities across the United States and in other capitalist countries around the world. Cities, which had been reliant on tax revenue generated from residential, commercial and industrial property values, found it increasingly more difficult to function properly and meet the needs of their inhabitants with less revenue. The substantial tax base that had once been present in the central city, now resided in the periphery where new homes were being constructed and where other commercial and industrial activities were taking place. In essence, the city had imploded, causing land values in and around the central city to decrease dramatically. By 1930 this decline in property values began to have a profound impact on the social and economic well being of the central city, in terms of its daily function and appearance.



This period of transition from the industrial to the post-industrial city was characterized, therefore, by what was called the ‘central city problem.’ The central city problem was one of depreciating land values in the urban center, lack of investments downtown and a slow degrading of communities, some of which used to be inhabited by the metropolitan area’s most well do to families. Although the movement of affluent people to the suburbs was initially the cause of such decline, the magnitude by which events unfolded in cities cannot be explained by this occurrence alone. Rather, numerous factors led to the decline of the inner cities, including issues involving transportation, job opportunities or the lack thereof, poverty and something called image-control (Library of Congress 1973: 26). However, those who had vested interests in the central city did not sit idly by and watch their investments deteriorate.

Citizen action groups and other activists demanded better housing for the poor. While businesses and industries were also concerned about degrading, each was motivated to take action for different reasons. The poor resided in housing stock that was seen as less than acceptable and needed to be demolished and replaced. Thus two campaigns emerged, united in their effort to rid the city of blighted communities, but they were at odds with one another over how the city should be subsequently rebuilt. Instead of coming together and presenting a unified vision for the city, each campaign made a concerted effort to influence local, state and federal officials and agencies as it pertained to urban renewal, with their own particular definitions of what urban renewal would amount to (Weiss 1980: 55). In the end, urban renewal was carried out according to the image and vision businesses had set forth. This forced people of color and those who had very little monetarily to watch their neighborhoods be fragmented or demolished by government authorities. Initially urban renewal projects were supposedly designed to improve conditions the poor found themselves in, by providing them with improved housing. But beginning in the early 1950s and over time, it became apparent that these policies were being hijacked by private investors in order to mitigate depreciating property values in the central city and to spark economic growth downtown.

## ***2. Symptoms of Urban Decline and Suburbanization***

The industrial revolution invariably altered the way people did business, changed our perception of time and space and ultimately restructured the heart of many cities around the country. Until the 1930s, the city served as the sole center for work, family and entertainment.

Downtowns were not only a source of employment, but also the place where people did their shopping, dined out and watched plays at the local theater. In this manner, the city functioned and met the needs of all its citizens. Slowly, however, the city began to fall into disarray; streets became overcrowded and living conditions within the city deteriorated.

Table 3: Density Functions for Population									
Cities		1910	1920	1930	1940	1948	1954	1958	1963
Baltimore	y	.97	.75	.64	.60	.48	.40	.36	.33
	D	111,230	79,681	67,630	65,542	51,159	42,693	37,481	34,541
Denver	y	.87	.87	.83	.76	.59	.45	.38	.33
	D	28,291	34,870	36,265	35,334	27,779	22,884	19,678	18,008
Milwaukee	y	.88	.81	.56	.51	.47	.37	.32	.27
	D	108,510	114,200	74,209	65,434	58,318	44,262	37,823	31,123
Philadelphia	y	.45	.43	.37	.36	.31	.27	.25	.23
	D	63,566	70,839	62,034	59,789	53,264	45,714	41,868	38,268
Rochester	y	1.44	1.37	.96	.88	.73	.55	.47	.40
	D	82,015	95,878	58,464	50,775	39,682	28,194	24,033	20,537
Toledo	y	1.13	1.43	1.01	.93	.83	.72	.67	.61
	D	41,407	85,828	56,260	47,031	41,123	34,661	31,768	28,151
Source: Edwin Mills: <i>Urban Density Functions</i> , 1969									

With new forms of technology and means of doing business, many people inevitably improved their economic positions. Some benefited from the rise of industry so much, that they were able to leave the city and settle in smaller communities away from town. As to whether economic mobility, accompanied by innovations in transportation, was the sole source of this decline is questionable. But it is reasonable to believe that the poor state of affairs cities found themselves in, in conjunction with upward mobility, prompted people to leave. Signs of decline were prevalent in blighted communities where land values had depreciated considerably. Entire communities were being abandoned, leaving the poor to come in from behind and settle in what had been affluent neighborhoods. But in order to fully understand the state of cities at this time, one need not look further than research conducted by Edwin Mills.

In his article on urban population density functions (1969), Mills examines this decline in urban centers through density functions relating population, manufacturing employment and

retail employment densities respectively to distance from city centers. He believed that population densities are the clearest indicator of growth or decline in the central city

(Mills 1969: 5, Clark 1985:

71). In Tables 3, 4 and 5,  $y$  represents the gradient relating density to distance and  $D$  displays the density of that particular sector in the central city.

Table 3 concerns six US cities and the changing rate at which population densities decline with distance; this is a measure of suburbanization. A decline in the value of  $y$  indicates increasing

Table 4: Density Functions for Manufacturing								
Cities		1920	1929	1939	1948	1954	1958	1963
Baltimore	$y$	.70	.66	.49	.48	.42	.37	.35
	$D$	9,478	7,547	4,416	6,815	5,515	4,665	4,059
Denver	$y$	1.07	.94	.92	.85	.64	.46	.36
	$D$	3,215	2,506	1,710	3,938	2,658	1,754	1,434
Milwaukee	$y$	.52	.44	.40	.48	.40	.35	.29
	$D$	11,713	8,921	5,012	12,996	8,594	7,048	5,189
Philadelphia	$y$	.32	.35	.32	.33	.30	.29	.26
	$D$	7,586	7,332	5,243	9,229	7,836	6,896	5,765
Rochester	$y$	1.51	1.28	1.32	1.41	1.34	1.27	.89
	$D$	24,514	16,493	14,235	33,223	31,831	25,895	15,297
Toledo	$y$	1.55	1.24	1.16	.98	.93	.85	.70
	$D$	17,097	13,214	6,570	10,638	8,414	6,223	5,517
Source: Edwin Mills, <i>Urban Density Functions</i> , 1969								

suburban growth relative to growth in the central city. In the case of Rochester, New York, the high  $y$  value for population density at the turn of the century indicates a rather limited degree of suburbanization. But as with the other cases in the table, these  $y$  values decline over time, indicating increasing suburbanization relative to growth in the central city. Other cities in this study also experienced a relative loss of people, but not at near the rate as Rochester or Toledo. Thus, decline in Philadelphia was more gradual and at not at such a high rate. Although the rate of decline in each city is interesting, the overall trend of people leaving the cities is of great importance to this research. It shows that before World War II, people were already exiting the urban centers and relocating to suburbia. But people were not the only suburbanizing.

For quite some time in America's history, the manufacturing and retail industries in major cities and towns prompted entire families to leave the farm and migrate to the city. Families who made such decisions were in search of a better life, and for many the city was the answer they had been looking for. It is not surprising then to see large cities emerge in the US and around the world. In fact cities such as Cleveland and

Pittsburgh staked their future on industry, investing copious amounts of capital into such projects. As residents began to move away and relocate, so too did sources of employment in manufacturing and retail (see Tables 4 and 5). Businesses left the central city for a variety of reasons, including changes in technology and a shift from reliance on the railroads to one on highway transport, and as far as retailing was concerned, a

		Table 5: Density Function for Retailing					
Cities		1929	1939	1948	1954	1958	1963
Baltimore	Y	1.02	.88	.72	.60	.50	.40
	D	7,257	6,592	7,029	5,086	4,073	2,587
Denver	Y	1.10	1.00	.83	.76	.52	.39
	D	3,933	3,697	3,876	2,617	2,094	1,366
Milwaukee	Y	.59	.56	.63	.53	.46	.30
	D	4,039	4,074	6,951	4,666	3,857	1,877
Philadelphia	Y	.47	.39	.37	.44	.30	.26
	D	4,493	3,118	4,182	5,797	2,855	2,229
Rochester	Y	1.35	1.24	1.00	1.12	.90	.54
	D	5,685	5,135	4,672	5,519	3,811	1,941
Toledo	Y	1.61	1.30	1.03	1.03	.80	.56
	D	6,501	4,486	4,325	3,894	2,396	1,482
Source: Edwin Mills, <i>Urban Density Functions</i> , 1969							

desire to get closer to the suburbanizing residential market. This suburbanization reinforced the decline in central city land values. This was hard for investors downtown to understand, because they were used to the central city being an attractive force and not a propulsion agent, encouraging people and business to locate there and not relocate to the suburbs.

The decline in population, manufacturing and retail in central cities were not isolated incidents, but rather reinforcing agents of decline. Without jobs in manufacturing and retail, those who were able to move away did, and for obvious reasons. And as the city was overrun by minority groups, investors downtown became anxious. Each successive movement of people flattened the densities experienced within and outside the city, acting as if to level the field as Edwin Mills predicted in his (1970) paper on urban density functions. .

### 3. The “Central City Problem”

As people began leaving the cities for the suburbs, along with industry and business, property values in the central city plummeted. Along with that, poorer people began settling downtown, further driving down the economic prospects of revitalizing the central city. The central city problem was like a disease. A community knew when they had caught the disease

when the central city was predominantly inhabited by racial and ethnic minorities and composed of slum and blighted neighborhoods (Weiss 1980: 55).

According to Marc Weiss' article entitled "The Origins and Legacy of Urban Renewal," there is a distinct difference between blighted and slum communities. Weiss defines blighted communities as those characterized by declining property values (Weiss 1980: 55). Such decline is in part driven by the perception that minority groups are a social problem. This perception can be contagious and affect other communities (Friedrichs 1993: 909). As a result, these communities and neighborhoods received little if any economic investment. Many individuals had given up and accepted their bleak reality; a misguided reality that isolated them from society and only diminished people's ambition to succeed and improve their own lives. This perpetuated a cycle of despair without hope. Slums, however, were similar to blighted communities, but the key difference was that land values were not plummeting; instead the social integrity of the community was unraveling.

Slums and blighted communities alike, came into existence because others abandoned them; people with wealth in addition to industry and retail. Although such communities had existed before people left for the suburbs, their presence grew in numbers because of an inadequate tax base. Without financial assistance, cities slipped into disrepair, projecting an image of a dark and dangerous city, as compared to a peaceful and aesthetically pleasing suburban community.

There are many other schools of thought that try and explain the central city problem. In his article "A Theory of Urban Decline: Economy, Demography and Political Elites," Jurgen Friedrichs discusses how cities mimic products and the product's associated life cycle, as it pertains to stages of growth and decline. In the life cycle of a product there is the initial growth stage and then, as the product grows older and more people can afford it, it begins to stagnate until some new innovation either forces it to reinvigorate itself or simply disappear from the market (Friedrichs 1993: 908). Cities are similar, in that from time to time they need to be examined and undergo revitalization projects in order to retain residents and attract financial investments. Thus, the central city problem can also be thought about in terms of a stagnating city, which is in need of major repairs critical to its infrastructure and ability to function properly (Bradbury et al 1982: 19).

#### ***4. Framing the Debate***

Fearful that they would lose a considerable amount of money on their investments, bankers, insurance companies and other clientele downtown, began forming coalitions to lobby local, state and federal officials for assistance. These people were primarily concerned with the blighted communities and their proximity to the central business district, as opposed to the social ills occurring in the slums. However, neither were attractive for investors and it was believed that such communities had to be demolished and redeveloped on a large scale.

To acquire such a copious amount of land for redevelopment required extensive financial resources, something the coalition did not have. Additionally, the private sector had no legal means to go about forcibly purchasing and demolishing the property of others. This is the why the private sector sought the assistance of public officials at all levels of government, for they had the financial capabilities and legal authority to stop the decline of inner cities and restore their pre-eminence. The private sector believed that the central business district should maintain its integrity by exploiting land for “profitable commercial use and high income residential development” (Weiss 1980: 55). This approach to urban renewal was much different from that of the public housers.

According to Weiss, public housers were concerned with the terrible conditions people had to live in and raise a family. For these activists, inner city living conditions were deplorable. The only way to change conditions on the ground was to demolish blighted and slum communities and rebuild more affordable housing, with assistance from Federal and State agencies. Unlike private sector investors, housers were out to restore communities and rebuild the city, uplifting people in poor communities. Although each campaign defined urban renewal differently, they both were in agreement that slums and blighted neighborhoods had to be removed. Both were hopeful that federal legislation would solve the central city problem and so the housers partnered with the business community to push through urban renewal programs.

#### ***5. Confronting the Central City Problem***

The Housing Act of 1949 was the first attempt by the federal government in addressing the central city issue. This legislation passed through Congress was the result of housers and business interests downtown, collaborating with one another. Initially, the act looked promising for the housers, as communities were to be demolished and resettled in newly constructed

communities, paid for by the public. But with persistence and intense lobbying efforts led by the downtown business coalition, over the years the legislation was transformed. Through several amendments, the housing provisions of the original legislation making affordable housing available to low-income people, were diluted. Although regulations had been diluted, there were still provisions within the amendments, requiring that in every urban renewal project, some sort of affordable housing be incorporated into the overall design (Library of Congress 1973: 42). While the housers had won the battle initially in getting these regulations into the legislation, the special interests downtown won the war.

For businesses downtown, slum clearance meant the elimination of poor housing, without being obligated to reconstruct new homes or be responsible for the livelihoods of poor people in general. What became of former residents did not bear any importance to business leaders, except that they were determined to make sure they did not relocate somewhere else in the central business district (Weiss 1980: 64).

In addition to urban renewal programs, business interests also lobbied the government over the detailed routing of its proposed interstate highway system, connecting the country's largest metropolitan areas to one another. Although such highways were meant to improve commerce between cities and allow military assets to be easily transported, downtown business interests also saw them as serving another purpose. The proposed highway system was meant to do two things for business downtown; the first was to improve the central business district's accessibility to the rest of the city and suburbia. It was thought that these highways would attract more business downtown, bringing investment and more importantly revenue back into the city. The highways were also a way to destroy blighted communities in the central city, by using the power of eminent domain to demolish communities and so to reclaim land for new development. Driving on the highway in any inner city, one will notice how close the housing stock is located next to the highway, particularly in older cities. This is due to cheap land being bought up and the highways being placed where homes once use to stand. For the investors downtown, highways were considered a major factor in charting future development in the metropolitan area, by eliminating poor communities and raising the property values in the central business district (Library of Congress 1973: 183).

## **6. Overview**

The decline of the industrial city in the 20<sup>th</sup> century was due to a number of factors, the first of which was improved personal and economic mobility. As income rose in many American households, people began to question the practicality of living in such a congested and polluted environment. With the assistance of technological innovations in transportation, the automobile served as a way out of the city and in fact fostered suburbanization. Deteriorating conditions in the city, encouraging people who could afford to leave to get out, fueled suburbanization. Migration out of the city also caused employers and retailers to rethink their business strategy downtown, resulting in business and industry relocation beyond the city's limits. Such a harsh reality is accounted for in the tables provided by Edwin Mills.

This exodus from the city not only left local government without a sufficient tax base, but it also caused property values to plummet. Like a vacuum, as the wealthy families moved away, poor families moved in behind them, establishing what Marc Weiss defined as slums and blighted communities. Such communities reinforced this migration of retail, industry and population out of the city. While parties agreed that something had to be done to resolve the central city problem, each saw the future of the city differently.

For the housers, the current housing stock people resided in was beyond repair, and thus many needed a fresh start. They believed that building new neighborhoods and communities for the poor would address their concerns, as well as help curtail the decline in property values that investors downtown were concerned about. Although investors believed that such communities should be demolished as well, they did not believe it was the public's responsibility to provide these people with adequate housing. They were more concerned with charting a new direction for the city and laying the foundation for creating what came to be referred to as the post-industrial city.

Initially, both parties believed urban renewal was the key to resolving the issue of blighted communities and the central city problem. Together they lobbied local, state and federal officials, until legislation was passed in the congress in 1949. The Housing Act of 1949 addressed both parties' concerns, but through political maneuvering, public housing became less of a priority and then was eventually left out of subsequent pieces of legislation. At the end of the day, private investors emerged victorious and with a vision of the post-industrial city; a vision that would increase property values downtown at the expense of the poor.



## **Conflict and Creating the Post-Industrial City**

Until now, this thesis has outlined what the post-industrial city is and how it came into being. But, little has been discussed about the conflict surrounding the development of the post-industrial city. Conflict is a fundamental part in creating such a city because of its associated costs to society and other special interests. Thus the remainder of this thesis will examine the role of conflict in its creation and will discuss why different constituents oppose or support attempts by their respective cities to achieve “major league” status.

Funding issues are by far the most contentious in developing the post-industrial city. In order to raise property values downtown and attract new businesses, cities must invest heavily in capital improvement projects. These capital improvement projects often require stadia, convention centers, shopping and entertainment complexes to be built downtown. Due the compact nature of the central city, old neighborhoods and structures must be either refurbished or demolished in order to accommodate these new projects. The Circle Center Mall in downtown Indianapolis was built by refurbishing existing structures at a cost of \$300 million dollars. Although this mall downtown was delayed because of lawsuits and battles with property owners for 15 years, it is now the centerpiece of the city’s revitalization efforts (*The Indianapolis Star*: September 7, 1995).

Other sources of tension in creating the post-industrial city concern the assembly of land parcels and the impact new projects, such as sports stadia, have on surrounding neighborhoods. Local government officials and leaders are usually at the center of these controversies because of their ability to exercise powers of eminent domain (the power to enforce the sale of land for the public good, but with monetary compensation). This right and authority vested to local government can be contentious because of the impact land acquisition has on a community. In the case of freeway construction, entire communities have been either destroyed or separated. New sports facilities or entertainment districts can also have an impact on communities’ quality of life, by creating more congestion and noise for local residents.

Finally, a city’s geographic location also plays a role in its attempt to become a “major league city.” A city which desires to attract an airline hub, major league franchise or other notable improvement projects and investments, should expect to face opposition and even competition from other cities, especially if they are in close proximity to one another. Such

opposition can inhibit a city's ability to attract such investments by denying it the necessary ingredients for development, thus making a city's location a potential source of tension.

Although the post-industrial city is a complex vision and roadmap for raising property values and increasing investments downtown, it is in some ways a new business model and source of conflict. As Robert Atkinson explains in his book *The Past and Future of America's Economy*, new technologies and business models are sources of change and conflict, because society is naturally resistant to change. While this is a relatively simple explanation for why there is resistance, it should come as no surprise. In many issues relating to revitalization projects downtown, business leaders and public officials usually act in concert with one another to get major capital improvement projects completed. They either try to persuade the local population to finance these large capital improvements or as was the case in Columbus, Ohio, build it themselves using all the financial and legal means available to them. In the case of Columbus, this coalition between business and city officials was quite strong. Equally strong and resilient, however, was the opposition to this group's effort to build a convention center and new stadium downtown, using nothing but tax revenue.

The remainder of this thesis will examine conflict in the post-industrial city, as observed in Columbus, Ohio. The city's effort to assert itself as a "major league" city has been quite contentious. Columbus is particularly interesting city given its industrial heritage or lack thereof and its proximity to other major population centers like Cleveland and Cincinnati. Thus Columbus will serve as a case study and testament to the conflict associated with the post-industrial city.

### **Conflict Around Constructing the Post-Industrial City: Columbus, Ohio**

The literature on the post-industrial city has contributed enormously to our understanding of cities and their function in society. In order to examine the conflict surrounding the post-industrial city, Columbus, Ohio was chosen as a case study. Columbus is a particularly good case study due to its geographic location, historical development and evolution as a state capital. For this study three capital improvement projects were examined; Nationwide Arena, the New World Center, and the Port Columbus International Airport. While conflict is certainly present in all three studies, the nature of the conflict, the way in which it was framed and the parties involved varied. Each study provides a brief history of the project and articulates the conflict of

interest. In the process, differences of opinion are outlined and discussed. The studies concluded with final thoughts regarding each project. The order in which these studies have been arranged are as follows: New World Center, Nationwide Arena and Port Columbus International Airport.

### **Case Study #1: The New World Center**

One of the most important capital improvement projects a city can invest in is a state of the art convention center. These facilities, by their very nature, attract large organizational meetings, exhibitions and other events that require large meeting rooms and space where people can interact. While convention centers are needed in order to facilitate this spatial interaction between people, they also have the capacity to generate a substantial and reliable source of revenue for the city and local businesses, particularly hotels and other elements of the hospitality industry. Cities with convention centers tend to attract more business and have a significant advantage over other communities which do not have such a facility. Thus a convention center should be considered a necessary component in creating the post-industrial city.

Beginning in 1984, Columbus sought to build a new convention center to replace the old Ohio Center, a convention center with 90,000 square feet of exhibition space. For a city of its size and potential, city officials felt the Ohio Center was too small in terms of square footage and thus they wanted a new facility to sustain the economic growth and prosperity Columbus was then experiencing. Support for this project was particularly strong among local businesses and governing bodies, including Limited Brands, the Ohio General Assembly and the Franklin County Commissioners. This overwhelming support was not, however, shared by residents of nearby Italian Village or activist groups such as Citizens for Private Development, because of the traffic issues a new facility posed and the lack of financial support from downtown businesses, respectively. Opposition from these particular groups helped influence the greater Columbus community to reject initial attempts to construct the facility. The residents of Franklin County rejected tax increases without significant private investments. In rejecting this new facility twice, residents were not protesting the merits of a new convention center, but protesting the initial proposal for financing it.

In this case study, the idea of a new convention center was never an issue. At issue was the lack of corporate investments. Columbus' struggle to get this facility built is a testament to

the conflict surrounding the redevelopment of city centers. At the same time it is an affirmation that Columbus was indeed taking steps to become a post-industrial city.

***An Ambitious Idea:*** With plans for nearly 400,000 square feet of exhibition space and provision for 65,000 seats, the New World Center was to be a multi-purpose facility that would accommodate not only large conventions, but support a professional sports team, though with the exception of baseball. The sections to follow discuss the city's ambitions to build such a facility. While the New World Center was never built, from that idea developed the convention center in 1993 and Nationwide Arena in 2000, home to the National Hockey League's Columbus Blue Jackets.

Before plans for the New World Center became public, Columbus hired a consultant for building arenas and convention centers, Neil Gunn. In his analysis, he cautioned Columbus to, first, understand the convention business market and secondly, to look for public subsidies (*Columbus Dispatch*: June 13, 2006). Columbus' first attempt of getting public support to build a new convention center, failed (*Columbus Dispatch*: September, 1984), despite lobbying efforts made by former Senator John Glenn. Voters in Franklin County refused to support an initiative that raised the county-wide tax by a half of a percent. This did not, however, stop city and business officials from pursuing other means. Rather the Columbus Chamber of Commerce created a task force to look at the convention center issue.

This task force was led by Coopers and Lybrand and outlined ten different possibilities for funding the new convention center (*Columbus Dispatch*: January 1985). Of these, a plan to tax restaurants, taverns, hotels and admissions to events was perceived as the most viable option for the city. The proposal called for a 3 percent tax on restaurants, 2 percent hotel bed tax and a 2 percent city tax on admissions. This was not received well by local businesses. Their support was important if the issue were to pass a vote in the Ohio Senate. Due to laws governing the increment by which taxes can be raised, changes in the law were necessary in order for the proposal to proceed. The Ohio Association of Bear and Wine Wholesalers, was particularly vocal because the organization did not believe the tax was fair (*Columbus Dispatch*: January 1985). When this issue came before the Ohio Senate in 1985, after a close vote, the tax proposal failed. This vote in the Senate was greatly influenced by intense lobbying efforts made by the Ohio State Restaurant Association and Ohio Council of Retail Merchants (*Columbus Dispatch*:

January 1895). Although this new facility would have brought business downtown, the tax would have been applied to the entire county, causing these special interest groups to voice their concerns. But despite this vote, city officials pressed on.

A few months later, after much discussion and deliberation, the Franklin County Commissioners put a tax initiative on the ballot for May of 1985 (*Columbus Dispatch*: March 1985). As a proponent, the Columbus Chamber of Commerce organized a campaign to support the ballot initiative. The goal of this campaign was simple; garner enough support for a 0.5 percent tax increase over 10 years and Columbus will get a new convention center. But according to a report in the *Columbus Dispatch* on March 9, 1986, support for this was lukewarm. In response, the campaign changed its tactics. Instead of trying to appeal to middle-aged conservative voters, the campaign sought to attract young people to polls in order to pass the ballot initiative (*Columbus Dispatch*: April 1986). To assist in their efforts, community leaders like Lex Wexner, owner of Limited Brands, were brought in (*Columbus Dispatch*: April 1986). The Short North community, along with 10 suburban businesses voiced their support for the tax increase. The Short North was particularly interested in the New World Center because of its close proximity and location just to the north along High Street. But despite all these public endorsements, residents in Franklin County were not satisfied.

Those railing against such a project included the Italian Village Society and Citizens for Private Development. Italian Village did not endorse the New World Center because blueprints never called for a meaningful parking resolution. Residents in Italian Village believed that if a new facility was to be built next door, it would have a detrimental impact on parking in their neighborhood – a neighborhood with limited off-street parking - and therefore on their overall quality of life (*Columbus Dispatch*: April 1986). Although the city offered to institute a parking program for the village, the residents did not find that to be an adequate response.

The other major voice in opposition to this issue was Citizens for Private Development. This group of individuals believed that large, costly projects should be partially, if not totally financed by the private sector. Why? As Edward Raiser, a resident of Reynoldsburg wrote in the *Columbus Dispatch*, “Why tax so many, so long, when so few will actually benefit from the construction of the New World Center” (*Columbus Dispatch*: April 1986). Apparently many agreed with Mr. Raiser, because on May 6, 1986, Issue 1, a ballot initiative to raise the sales tax 0.5 percent failed by a 46 to 56 percent margin (*Columbus Dispatch*: May 1986).

***Analysis and Conclusion:*** The New World Center was a bold and ambitious plan to redevelop downtown Columbus. For Columbus' size, this 90,000 square foot Ohio Center had served the community well, but did not meet the city's potential. Before the Greater Columbus Convention Center was built in 1993, Columbus was only able to compete for 30 percent of the total convention business market. Such an inadequate facility was therefore seen as no longer acceptable. City and business officials agreed that Columbus needed a new Convention Center, but at issue were the facility's new size and the mechanisms by which it was going to be financed.

Both public and private interests were frustrated with the financial component of the New World Center proposal. At first the plans called for increasing taxes on particular local businesses rather than public funds to pay for it. To support the facility, a tax on restaurants, liquor and hotels was discussed. This was quickly rejected by local business interests. This lack of support set the project back. Instead of bypassing the public with private funding, the city had to confront the voters.

While Mayor Rinehart believed that a convention center should be financed and so owned by the public, others did not feel the same way. Some within his party, who were on the Board of County Commissioners, expressed their concern about this issue of seeking support from the public. But despite their concerns, Issue 1 made it onto the ballot. Issue 1 was particularly interesting because it not only sought money for the New World Center, but for COTA (the Central Ohio Transit Authority). Knowing that this new proposed sales tax would generate more than enough revenue for the New World Center, officials wanted to appear fiscally responsible. So, they added COTA into the ballot initiative. Whatever money the new facility did not need, it would go to COTA. This, however, proved to be a strategic error, for at the time, COTA had a surplus in operating funds. Although the language of the bill was well crafted, voters did not support the issue.

Residents of Franklin County did not support the issue because the facility was too ambitious and was to cost the private sector nothing. As the group Citizens for Private Development pointed out, the facility was too big. David Sheir and his organization agreed that if a smaller facility was proposed and if a significant portion of the project was funded by private investors, they would then support a new convention center downtown (*Columbus Dispatch*: May 1986). The only caveat was that a new tax increase not be reintroduced to the public.

The New World Center, as contentious as it was, sparked an interest in many people living in Franklin County. As one college student pointed out in an editorial written in the *Lantern*, Columbus was a “diamond in the rough” (*The Lantern*: January 24, 1985). The New World Center was Columbus’ first attempt at changing that image. In design, the New World Center was a state of the art, multi-purpose facility. Such a project, if it had been completed would have made Columbus a viable competitor in attracting the largest conventions in the nation. Using the latest in technology, the New World Center was designed so that it could be transformed into a 65,000 seat arena. And even though the city did not have a major league team, such a facility would have been useful in attracting a major franchise to Columbus. This ambitious new facility, however, never materialized. This was due to several flaws in the design and in the way proponents of the facility marketed the New World Center to voters.

First, the New World Center was simply too big for residents to comprehend. Evidence of this is found in David Sheir’s remarks in the *Columbus Dispatch*. In that particular article Sheir voiced support for a smaller facility, that was not so overwhelming, but still allowed Columbus to be competitive in the convention business (*Columbus Dispatch*: May 1986). The other reason voters did not support the New World Center was because of the city’s hasty campaign. According to the research, the city’s attempt to market the convention center to younger voters was another strategic error. While young people would be more likely to take advantage of concerts and different events in the building, this cohort had a history of not voting at the polls. Students like R. Scott Sprigs, believed Columbus was a “diamond in the rough.” And if improvements were not made to the city’s quality of life, students like Sprigs were ready to leave after graduation. In trying to solicit support from Sprigs and other in his cohort, the campaign effectively isolated Middle America, a cohort that is statistically more involved in the democratic process. This group of individuals, along with many others, felt as if they did not have a voice in the matter. According to William Habig, Director for the Mid Ohio Regional Planning Commission, “people wanted to be listened to and have a voice in the issue.” Unfortunately voters were not given this opportunity, and expressed their frustrations at the polls. And although the New World Center was never built, the facility, in a sense, ultimately gave birth to several projects which essentially achieved its original objectives. These projects included the Greater Columbus Convention Center and Nationwide Arena. Nationwide and the Convention Center met the demands of local businesses and upheld the ideals of the New World

Center, at no cost to the general public. Although this is just an observation, it was better that residents resisted being coerced into supporting the New World Center. In the end two new facilities were built (primarily funded by the private sector), each being very successful in generating new business and improved the metro area's quality of life.

## **Case Study #2: Nationwide Arena**

The development of Nationwide Arena and the subsequent businesses and housing that surround the complex downtown, was a major redevelopment project that took over a decade to realize. Known as the Arena District today, Columbus now boasts a lively entertainment district, where opportunities for growth are self-evident. This has undoubtedly elevated Columbus' stature as a post-industrial city, by allowing it to join a growing number of cities that already have such facilities. But this was not always the case.

Until Nationwide Insurance publicly announced its partnership with the *Columbus Dispatch* to privately fund an arena downtown, the prospects for such a venue were grim. The City of Columbus had tried, on five different occasions, to fund an arena/sport complex downtown on the site of the former Ohio State Penitentiary. The city's first attempt at getting the voters of Franklin County to support the arena and publicly finance it, failed in 1986 (*Columbus Dispatch*: April 1988). Although this had to be discouraging, the city and its business coalition were relentless. They believed that such a venue downtown would make Columbus a more attractive location for business and ultimately raise property values in the inner city. Proponents of the arena were determined to build such a facility in Columbus, and in 2000 Nationwide Arena opened its doors to the public. However, the time and money poured into getting this venue in Columbus is questionable. If the business community was able to finance such a robust project, why did it wait nearly 10 years to build the facility? Additionally, what role did the city play in garnering support for building the arena downtown, especially when a similar facility was already being constructed on the campus of Ohio State? The answer is relatively simple: proponents wanted taxpayers to finance the arena. Only after various proposals and methods promoting the arena had failed, did the coalition seek an alternative to publicly funding the arena.

This case study will examine the history and development of Nationwide Arena. Looking at the arena downtown as a story told through a file of old newspaper stories, from



beginning to end, reveals the inherent conflict around developing this facility. While the city and its business partners were forthcoming in telling the people the benefits an arena would bring to Columbus and Central Ohio, they were not so forthright in explaining their reasons for building the arena with public money. At the center of this conflict were different coalitions and interests, all having a stake in the outcome of an arena being built in downtown Columbus. While the facility was eventually built, the scope, size and primary financier of the project changed with time. This case study examines how special interests and opposing points of view can hinder the development of the post-industrial city.

***Stadia and Downtown Redevelopment:*** One strategy to bring people back downtown and attract private investment is to construct sport stadiums or arenas. These facilities usually house a major league team, in addition to concerts and other events. They also spur other development projects, as indeed was the case in Columbus with the Arena District. Until Nationwide Arena was completed in 2000, the city of Columbus did not have these types of facilities. Although Ohio State had St. John's Arena, its capacity was also limited. Without an arena, Columbus could not entertain large concerts. Revenue generated from these events was lost to Cincinnati and Cleveland, which had large stadiums and arenas of their own. Thus there was a common interest between city and business leaders to ensure that Columbus would also have an arena downtown, in the foreseeable future.

***The Literature:*** Conversations about the arena downtown began in 1967 during Mayor Sensenbrenner's administration. Mayor Sensenbrenner appointed a Sports Committee to examine an arena's feasibility in downtown Columbus. Nothing came about after the committee met, but it did signal that the city was interested in building such a facility. The issue came to a head in 1986, when voters in Franklin County were asked to fund an arena through revenue generated from an increase in taxes. In 1986 and again in 1987, the voters rejected the proposal outlined by the city and business community. Discouraged, Mayor Reinhart nevertheless believed that the voters could be swayed if they were given the "proper tax mechanism" (*Columbus Dispatch*: August 1988). Ultimately, the Mayor would be proven wrong, but not without subsequent attempts there after.

In order to understand the arena project and plans for its development, one must understand the alliance between the city and businesses downtown. Each member of this coalition stood to gain considerably in terms of revenue, increased property values, and opportunities for economic growth that it was thought an arena downtown would bring. There was, however, some uncertainty about what the payoff would be. Knowing this, they wanted to minimize the financial risk of such a project to themselves. The way to negate this, in their view, was to shift the burden from the private sector to the public sector. This had been the case in most cities around the country, where the public funded sporting complexes. As it turned out, the city was *not* able to garner enough support for this project, but the arena got built anyway. This was not before a highly contentious campaign in which the Ohio State University was implicated in virtue of its own arena plans.

Having been defeated twice before, the city and its allies realized that it needed a sound proposal in order to garner enough support in Franklin County. After several studies had been conducted by Columbus Downtown Inc. (CDI), a site for the arena was selected. The arena was to be built on the site of the Ohio State Penitentiary. Its proximity to the central business district and the city's new convention center made this a particularly attractive location. The group also calculated that an arena could be built by imposing a .25 percent increase in sales tax on voters in Franklin County, as well as other taxes levied on liquor and cigarettes (Business First of Greater Columbus: January 1990).

Once the city's intentions became public, action groups were formed in order to derail the project. Groups like Citizen's for Private Development accused the city of asking the voters to pay for an arena that would bring large profits to its business partners and not the people of Franklin County. The organization's leader, Richard Sheir, blasted the CDI for the research it conducted, asking, "Why doesn't the business community get behind this project with actual bona fide dollars?" (*Columbus Dispatch*: January 1990). While Sheir never denied that an arena downtown would be a nice amenity to the city, he and his followers believed it was not just to ask the public to pay the bill. Others who did not agree with the way the city wanted to fund the arena, demonized the proposed increase in liquor and cigarette taxes, calling them "sin tax(es)" (*Columbus Dispatch*: April 1990). Even so, the city pressed on and purchased the site of the old Ohio State Penitentiary for \$4.5 million. But the city still needed a reason for the public to feel personally invested in an arena downtown. The solution: Promote the arena as a strategic asset

for attracting a major league team to Columbus. Its first port of call, however, was The Ohio State University.

In discussions going back to 1989, the University made it clear that it was interested in building a new arena for its growing athletic program. It also made it clear that if such a facility were ever built, it would be built on the campus of Ohio State and serve the student body (*Columbus Dispatch*: April 1989). This adversely impacted the city's ability to promote an arena. This was because it needed a large tenant to occupy a new arena. While it *hoped* to attract a major league franchise, there was concern that this might take time, and meanwhile bond payments would have to be met on the new arena. Having the university basketball team as a major tenant would therefore reduce the financial risks. As a result, the city asked the University to consider having its men's basketball team play its home games in the arena downtown. Such an agreement would have brought in a reliable source of revenue for the arena and made Ohio State partners in the project. But this never came to fruition. Instead, Ohio State went on with its own plan to build a 60-80 million dollar arena at the intersections of Olentangy River Road and Lane Avenue some two to three miles away from the site planned for the arena downtown. Furthermore, and to begin planning such a massive project, the University lobbied the State of Ohio for 10-15 million dollars. This angered the city and prompted Mayor Lashutka to send President Gordon Gee a letter, expressing his dissatisfaction and assuring the University it would have no support from the city (*Columbus Dispatch*: March 1994). There was more to this than a simple question of location, however.

During the mid 1990s, the State of Ohio was facing budgetary deficits. Money was scarce and spending was limited (Interview: Dr. Herbert Asher April 11, 2006). While the city had already, for the most part, decided on a site for their arena, the planning stages had not yet been implemented. Mayor Lashutka's letter to President Gordon Gee was a way for him to express his displeasure that Ohio State and the City were now competing for the same operational funds from the State Capital Budget. While the City had only requested 1 million dollars, on May 19, 1994, Speaker of the House Vern Riffe Jr. confirmed that the University had been fully appropriated the money it had requested – 15 million dollars - while the city had not<sup>1</sup>.

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<sup>1</sup> Ohio State's lobbying effort had been coordinated by Dr. Herbert Asher, who was the chief Ohio State Lobbyist and council to President Gordon Gee[0].

Nevertheless, and even though Ohio State had been appropriated the funds necessary to plan their arena, legislators at the State House demanded that the University work in concert with the city to come up with an agreement about how such a facility would be managed (*Columbus Dispatch*: June 1994). The city, at first, liked this idea and demanded a significant voice in the operation of the arena. But at the same time it wanted to build its own arena downtown. At issue in these discussions was the sale of skyboxes. The sale of skyboxes was seen as a very important way for the arena to generate revenue and gain sponsors. But if major corporations with money to pay for skyboxes were to see Ohio State with such facilities, then promoting an arena downtown would be that much more difficult.

To promote its project, the city formulated a campaign called “Citizens for Downtown’s Future.” But despite their fundraising and corporate sponsorships, the campaign failed, with nearly 30,000 more people voting against the proposed .25 percent increase in sales tax. While the tax would have only been in place for only 3 years, people were still skeptical and overwhelmingly voted the issue down (*Columbus Dispatch*: June 1994). On a positive note, however, in October the city and the University reached an agreement, outlining the terms and conditions for the new Ohio State arena. Significantly, the University agreed not to build skyboxes and use the venue for athletic programs only, allowing the City to pursue its own arena (*Columbus Dispatch*: September 1994) through yet another campaign for public financial support. Despite continuous setbacks, the city and its allies were persistent in their cause; but so too were those opposed to the arena being built with tax dollars.

Coming to grips with reality, those wanting a stadium downtown started to change their strategy. At first advocates for the arena claimed that a facility of that magnitude would generate jobs and make Columbus competitive in attracting new business to the city and to Central Ohio (*Columbus Dispatch*: October 1993). The city’s competitive edge, it was argued, depended upon Columbus’ ability to attract a major league franchise and have them settle in Columbus. Not only would a major league team prove to be attractive for investors, but bolster the city’s image as a top tier city. Opponents of the arena and of the proposed increase in taxes believed that business and property owners downtown stood to benefit the most, and not the greater metropolitan area and so, by implication, they should be the ones to fund the project. But despite the city’s best efforts and a media blitz, the issue failed in 1994. The voters did not consider the

arena to be a critical piece of infrastructure the city lacked, as, for example, did Ron Puzzuti, a private developer downtown (*Columbus Dispatch*: June 1994).

Over the next few years, the city widened its coalition, getting local communities on board, as well as the Columbus Chamber of Commerce and the Franklin County Convention Authority (FCCA). The FCCA took the lead on yet another attempt to get the arena built, but the strategy had changed. Instead of promoting the arena and a - by now - stadium complex as something the community should invest in, the campaign set out to show how financing such a facility was a low risk investment on the part of the people in Franklin County.

This part of the campaign really took off when Lamar Hunt, owner of the Kansas City Chiefs, founder of the American Football League (AFL), and owner of the Columbus Crew saw Columbus' potential to become a major league city. Hunt was interested in the project because he saw an opportunity to move his Major League Soccer franchise, the Crew, out of its temporary quarters at Ohio Stadium to a new stadium downtown that would be part of the larger stadium complex for which plans were then underway. To make the arena project even more appealing, Hunt promised that his company would oversee operational expenses, guaranteeing the community that, for 25 years, it, and not the voters of Franklin County, would absorb potential losses. On the other hand, as more groups such as Columbus City Council and the Congress for Black Development got on board in 1996 and 1997, those opposed to the tax rallied support from communities likely to be impacted by the arena downtown, such as Victorian Village, and from the National Association for the Advancement of Colored People (NAACP). But in response to this, the effort on behalf of the city and other business interests was considerable. Among other things, they were able to get the President of Ohio State, Gordon Gee, to serve as co-chairman of the campaign. But their new strategy did not go unnoticed and faced stiff opposition.

Those who opposed to the arena previously remained the leaders in the effort to defeat the ballot initiative in 1997. But despite the high level profiles of those speaking in favor of the arena, such as President Gee and Lamar Hunt, opponents were still able to rally support. Among their supporters were Samuel Staley, President of The Buckeye Center for Public Policy Solutions. In an article published in the *Dispatch*, Staley said that industrial and service sector investment would have a much larger return than a downtown arena could (*Columbus Dispatch*: January 1996). These comments and other issues that were discussed concerning the city's

ability to attract a major league franchise to Columbus, help to garner support for the opposition. Soon social organizations like VAST (Voters Against Stadium Taxes) and Victorian Village community signed on in opposition to the proposed tax increases. A poll taken by the *Dispatch*, a month before voters went to the polls, showed the arena losing ground among voters. And despite various promises made by prominent people throughout the campaign, the issue was defeated on May 7<sup>th</sup>, 1997. With an unusually high turn out of nearly 39 percent of eligible voters, the issue was in fact *soundly* defeated with 56 percent of the voters saying ‘No’ to a tax increase.

Discouraged and outraged, the city and business community resorted to what was evidently Plan B, though it had never been made public. Plan B called upon private investment to fund an arena downtown. Nationwide Mutual Insurance, headquartered in Columbus, along with the *Dispatch* agreed to fund the arena project. With the cost of the project near 150 million dollars, Nationwide financed 90 percent of the project, while the *Dispatch* picked up the remaining 10 percent. For their investment and partnership, Nationwide and the *Dispatch* have benefited greatly. The arena, along with its surrounding businesses, has created a dynamic atmosphere in at least that part of Columbus, one that did not exist prior to the arena’s construction. And although the city and business community have also reaped the benefits of a downtown arena, particularly Nationwide, one might claim that the big winners were the citizens of Franklin County. The residents were winners because they got a stadium at virtually no cost to them as tax payers. This was not the case in many cities around the country, where the public funded a majority of such projects.

***Analysis and Conclusion:*** While the story of the arena, told in this review, is not a complete account of the entire conflict surrounding its construction, it does highlight key moments from the debate as it ensued from 1986 through 1997. What particularly caught the attention of this researcher was the political maneuvering and rhetoric expressed by those who had an interest in the arena’s construction. Over the years, those for and against the arena downtown listened to what each other were saying, and adapted accordingly in order to make their case to the voters of Franklin County. In the end, however, the arena was built by a special partnership between Nationwide Insurance and the *Columbus Dispatch*. This indicates two things; first, the city and its business associates downtown were committed to building an arena downtown and secondly,

this alliance between public and private officials was resolute in improving Columbus' stature as a post-industrial city, as long as they stood to gain something from it.

The city's attempt to get an arena downtown went through several evolutions, first being promoted as a crucial part of the city's infrastructure and engine for economic growth, and then as a low risk investment for voters who stood much more to gain than loose. Over a period of 10 years, the city and its coalition lobbied the State, struck deals with The Ohio State University that were never intended to be honored (Interview: Herbert Asher, March 11, 2006) and welcomed the assistance of big name sport owners to try and rally support. Ohio State's President, Gordon Gee, was not able to convince residents of Franklin County to support the city and its ambitions. In retrospect, this lack of support from the people was due to two things; first, the city did not have a bargaining tool with which to garner support. Columbus' status as a major league city was never at risk. But this was not the case in Cincinnati or Cleveland, where major teams and their owners demanded state of the art facilities, like Jacobs Field, or the team would leave. In Columbus city officials and businesses downtown did not have this weapon of losing something that was already there, along with its popular support base. Second, it was never able to develop a strategy to change public opinion, because the situation in Columbus did not warrant that such a massive redevelopment project be financed by the voters. From an economic standpoint, Columbus was, and remains, a prosperous city. With investments in a new convention center and city center mall downtown, the urgency for an arena did not sit well with the people. Instead they saw through the media campaigns and the University's support, as merely a ploy and not a legitimate endorsement. Despite the high profile people and businesses who threw their hats into the ring in support of the arena, the coalition was forced to construct the arena with private funds.

Those opposed to building the arena with taxpayer dollars were successful because they pointed out the obvious. This grass roots effort to oppose the arena was a success because it adapted to the different strategies proponents employed. They saw the city and private sector benefiting tremendously from a sport complex downtown, at the expense of taxpayer money, and made their concerns known. Indeed, for as much money the city and businesses invested over the years to build support for the arena downtown, they could have financed their own planning efforts for an arena, instead of asking the State, which later refused to endorse it.

From the start, the opposition had an advantage due to Columbus' economic prosperity and the fact that they were gaining something whose benefits were notional rather than losing something, like a football franchise, as in the case of Cincinnati, whose benefits were already real for large numbers of people. For these individuals, recognizing changes in strategy and formulating a response was key to keeping the public in their corner. In an interview with Dr. Herb Asher on April 11, 2006, he called the voters of Franklin County "smart." The voters were "smart" because they did not allow the city to build an arena with a possible major league team coming to Columbus at their expense. Instead what the voters got was Nationwide Arena, a National Hockey Team in the Columbus Blue Jackets and a new entertainment district, full of restaurants and retail establishments, at no cost to them.

And finally, the last point that must be emphasized here concerns special interest groups and their ability to threaten the development of the post-industrial city. This statement alone bears discussion, because it implies that the post-industrial city is an attempt by city officials and big business to restructure the central city and allow it to once again become a center of commercial activity and development, as it once was during the Industrial Revolution. This particular case involving the arena in Columbus is quite revealing, because it demonstrates special interests have an impact on the development of urban centers.

For the advocates who supported the arena downtown, the Ohio State University posed a threat due to the University's relationship with Central Ohio and more importantly, its own ambitions to build a new sporting venue on its campus. Making the case for one arena was going to be hard enough, but justifying two facilities within two miles of each other was going to be an even great challenge. Although the city and its allies downtown knew Ohio State would eventually build its own arena, they desperately sought to minimize its impact on their campaign. To do this they signed an agreement with Ohio State that made it clear, at least on the surface, that Ohio State's new arena would be used for the sole purpose of athletic events and other University functions. This meant a new arena at the University would not include skyboxes; luxury seating that would be required in an arena if it was going to house more than just athletic events, like concerts. Although this agreement was nothing more than a ploy, it was a way for the city and other interests downtown to control the noise surrounding Ohio State's new arena (Interview: Herbert Asher, April 11, 2006). This became apparent when Huntington Bank



announced it had sponsored a level of skyboxes for the new Value City arena (*The Other*: May 15-21, 2006).

For what it is worth, the city exhausted every weapon at its disposal, in order to have the arena financed by tax dollars, instead of by private investments. For the city, the arena was a ‘must’ if it was to attract new businesses and improve the central business district. For this reason, an alliance between the city and businesses downtown was to be expected. But this coalition, in the end, underestimated the residents of Franklin County. Dr. Asher was right; residents of Franklin County were appalled by the city’s subsequent attempts to get the arena issue on the ballot (Interview: Herbert Asher April 11, 2006). After the arena issue had been defeated for a fifth time, and only after prospects of a National Hockey League in Columbus were in jeopardy, did the city and its business partners downtown decide to privately finance an arena. The fact the city caved in after ten years makes this case particularly relevant when discussing the political nature and inherent conflict behind creating the post-industrial city.

### **Case Study # 3: Port Columbus International Airport**

In order for the post industrial-city to take shape, significant investments must be made in a city’s center. This can take the form of redevelopment projects, such as building new arenas and convention centers. But in order to be successful and ultimately improve a city’s business prospects and vitality, the post-industrial city must be accessible to air transport services.

Regularly scheduled flights to and from different localities around the country, are important in today’s economy. While advances in telecommunications have significantly improved people’s ability to communicate and interact with one another, in many cases nothing can substitute for face to face interaction between people.<sup>2</sup>

A crucial background for the attempt of Columbus to improve its air passenger transport accessibility was the deregulation of civil aviation. In 1978 the airline industry was deregulated, allowing airlines to set up their own business strategies with minimal government intrusion. These strategies often included implementation of a hub-spoke network. The hub-spoke network

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<sup>2</sup> Society’s reliance on aircraft as a one of the most viable means of transportation was evident after September 11, 2001. When air traffic resumed three days after terrorists attacked New York City and Washington DC, Congress passed the Air Transportation Safety and Stabilization Act. The bill provided the airline industry with temporary relief so as to offset the financial losses incurred after the attacks (Library of Congress: 1973). This act by Congress demonstrated how vital air transportation is to the American economy, and how important access to well serviced airports are for business in the post-industrial city.

established several strategically located cities where airlines would base their operations, effectively bringing passengers from different cities to one place, where they could switch planes and reach their final destination. This particular case study will examine the city of Columbus and its efforts to attract a hub to Port Columbus. For public officials and the greater Columbus business community, getting a hub or at least more direct flights, was a major priority in the mid to late 1980s. Although the city was never successful, conflict surrounding the development of Port Columbus warrants exploration and examination, because of its importance to developing and consolidating the post-industrial city in Columbus.

Over the last two decades, Port Columbus has evolved from a small facility to an airport that has 160 flights land and depart daily, and where it is currently planning an ambitious project to construct another terminal by 2018. Although it is highly unlikely Columbus will ever have the passenger traffic of Hartsfield in Atlanta, Georgia, Port Columbus is a necessary component in its development as a post-industrial city. This section will review Columbus' persistent attempts to attract a hub to the region and examine the political climate in which such issues have developed and evolved.

***Building a Hub: Columbus' Failed Attempts:*** After deregulation of civil aviation and the emergence of the hub-and-spoke strategy, having an airline hub in a particular city was seen as an asset for businesses in that community and an engine for future economic growth. Columbus' infatuation with establishing a hub at Port Columbus International Airport dates back to 1986. But in order to understand the urgency of creating such a facility in Columbus, there are several conditions that need to be taken into consideration.

***Columbus at a Disadvantage:*** Before Columbus' first attempt at establishing a hub, the city was already at a disadvantage. Soon after deregulation occurred, cities entered into the market to ensure that their communities would be hubs in the airlines' networks. Such hubs and their support facilities had already been established in Cincinnati, Dayton, Indianapolis and Pittsburgh, thereby generating more passengers and business for respective airports and local economies.

Table 6: Statistics for Selected Airports in 1986				
Cities	Passengers (millions)	Gates	Main Jet Runways	Flights (Using 1985 records)
Atlanta	42.5	138	4	718,100
Dallas-Fort Worth	37.1	101	6	561,600
Pittsburgh	15.1	52	4	362,800
Cleveland	6.4	42	4	154,600
Cincinnati	4.5	38	2	147,900
Dayton	3.7	26	3	167,200
Indianapolis	3.8	27	2	70,100
Columbus	3.2	18	1	75,400
Nashville	1.4	22	2	123,100
Source: <i>Columbus Dispatch</i> , 19 Nov. 1986				

Table 6 displays just how far Columbus lagged behind in 1985 in terms of its ability to receive and dispatch flights, as well as in terms of the number of passengers using the airport annually. This was of concern to those anxious to see Columbus attract corporate headquarters and other businesses relying on ease of access by air. As an article in the *Columbus Dispatch* on May 24, 1987 stated, airline service is a major indication of a city's status and potential. If Columbus was to become a 'major-league city,' it needed to attract a hub and expand the airport at Port Columbus. Not doing so would invariably make business interactions between Columbus companies and other parties, more expensive and time consuming. This was due to a lack of direct flights originating from and arriving in Columbus.

This ultimately worked against what was considered by many to be a healthy market for business and airline service (*Columbus Dispatch*: May 24, 1992). In a report published by the Harris Organization, an affiliate with Cushman & Wakefield real-estate, the document recognized Columbus as a one of America's premier cities to do business with, ranking it the top city in Ohio. Although criteria for such comments were never outlined, the report also criticized Columbus for having a relatively small airport for its size and importance in Ohio (*Columbus Dispatch*: Harris Organization March 31, 1987). Thus without having already established itself as a hub, Columbus was already at a disadvantage. In addition, we should note that passenger

traffic is a major form of income for airports. As a result airport officials also wanted to expand the airport. Officials wanted to remain competitive with other cities.<sup>3</sup>

Trying to attract a hub to the region was just one concern. Getting people to switch airlines and embrace the new hub service was another. In periodicals regarding this issue, while businesses wanted more access to direct flights, they were not willing to forego relationships already forged with other airlines. This surprised the Columbus Chamber of Commerce which had advocated on behalf of America West airlines to establish a hub (*Columbus Dispatch*: September 1992).

In addition to these various conditions, special interest groups, such as USAir, Columbus' largest airline before America West, also played a significant role. Although these conditions were not the reason Columbus failed to attract a major hub, it does highlight the difficulty proponents had in trying to establish one in the city.

***Columbus' Attempt to Secure a Hub:*** In the spring of 1986, the city of Columbus set out to expand the Port Columbus Airport. The purpose of the \$174 million dollar investment was to increase the number of gates at the airport, thereby increasing capacity for additional flights and paving the way, or so it was hoped, for an airline to establish a hub at Port Columbus. The plan was to be financed by city bonds issued by Columbus, at least for the first year, and then rely on other contributors to finance the rest. Such contributors included the Federal Aviation Administration, tenants in the airport and the Airport Authority.

One of the proponents for this expansion was John Christie, President of Columbus' Chamber of Commerce, attesting to strong business interest in the project. Christie, like Mayor Rinehart, believed that Columbus' future rested on its ability to remain competitive with other cities in terms of its accessibility to air transportation (*Columbus Dispatch*: September 1986). Over the next few months, different teams were assembled by the Mayor's office in order to examine the project's feasibility. Equally importantly, teams also met to develop a marketing strategy that would entice airlines to either establish a hub or secure more direct flights to and

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<sup>3</sup> Although this report was published almost two decades ago, accessibility continues to be a problem for Columbus, according to David Whittaker, Vice-President of Business and Marketing for the Columbus Regional Airport Authority (Interview with David Whittaker: May 2006). In terms of its ability to attract branch offices and other form of corporate employment, Columbus is seriously disadvantaged because of its lack of access.

from Port Columbus. Their first attempt at securing an airline hub involved Trans World Airlines (TWA).

In 1987, TWA representatives met with city officials to discuss the possibility of establishing what they called a “mini-hub.” In order to accommodate this growing demand for new flights, TWA was looking at four possible sites. They included Cleveland, Columbus, Philadelphia and a Southern city. Although there was much speculation about whether TWA would set up a small operation in Columbus, possibly adding 80 flights a day, one thing was clear; TWA’s selection would be strategic and in its best interests. As the spokesman for TWA told the *Dispatch* in an interview, the city would “have to have reasonably large traffic flows, large passenger yields and be strategically located” (*Columbus Dispatch*: May 1987). To entice TWA to establish a hub operation in Columbus, the city offered the airline a \$50 million dollar tax package. Despite such an offer and amidst much speculation, however, TWA announced that it would not build another mini-hub and suspended all plans for such a facility indefinitely (*Columbus Dispatch*: April 1988). While this was certainly a set back for the city and other officials who lobbied on behalf of it, the city still went on to expand the airport, and by so doing, it accommodated the needs of USAir, Northwest, American and Midway Airlines (*Columbus Dispatch*: April 1988). But there was still no hub.

The next airline that talked about establishing a hub in Columbus was America West, and it actually went on to do so. America West was a relatively young airline that had formed after the airline industry was deregulated. Based in Phoenix, it was known for its cheap fares and had existing hubs at Phoenix and Las Vegas. To pull itself out from Chapter Eleven bankruptcy, the airline wanted to expand its services to the east coast of the United States. Part of its strategy was to establish a hub somewhere in the Midwest through which it could service the cities of the eastern seaboard. Officials in Columbus seized the opportunity, with Bank One Corp, which had not coincidentally expanded into Arizona, America West’s home state, taking the lead. Bank One Corp, along with other investors tried to raise \$100 million dollars for the embattled airline. In return America West promised to bring low fares to Columbus, by making Port Columbus a hub for the east coast (*Columbus Dispatch*: April 1992).

Over the next ten years, America West made a significant investment in the Port Columbus International Airport, establishing direct routes to major cities along the eastern seaboard, in Florida and in the southwest, though never expanding beyond mini-hub status.

Nevertheless, it brought increasing passenger traffic to Port Columbus. Not only was domestic rider-ship up, Port Columbus was also expanding its sphere of influence into other markets, such as Dayton, Cincinnati, Pittsburgh and northeastern West Virginia (Wilbur Smith Associates: January 2005). This was partially due to the lower airfares and competition that the mini-hub provided as well as the closure of the USAir hub in Dayton. At its peak operation in Columbus, America West was the largest carrier at Port Columbus and responsible for 49 flights leaving the airport daily (*Columbus Dispatch*: February 2003). This, however, did not last. After September 11, 2001, the company announced it would scale back to all but four of its flights from Columbus, citing significant losses in revenue (*Columbus Dispatch*: February 2003). In Diagram 1, the grey lines represent routes that were eliminated, while the bold black lines are routes America West still continues to operate as of 2003.

Diagram 1: America West Air Service to Columbus



Although America West's prominence at Port Columbus was relatively short, its impact on Columbus was significant. Because of America West, Columbus saw an increase in passengers using the airport and other airlines moved in to serve the routes abandoned by

America West. More importantly, it elevated the image and status of the airport and the city as well. It is in this context that one can understand the Regional Airport Authority's plan to make structural adjustments and expand Port Columbus by the year 2018.

**Prospects for Future Airport Expansion:** According to a study released by the Columbus Regional Airport Authority, Port Columbus will reach its maximum capacity of 10 million passengers a year by 2018 (Wilbur Smith Associates Inc. 2005). This has prompted the Airport

Authority to adopt a vigorous and multifaceted plan to accommodate this growth in the future, at a cost of \$730 million dollars, none of which will come from residents of Franklin County.

This plan outlines a phased in project that will take more than a decade to complete. The project calls for the reconstruction and reconfiguration of the International Gateway interchange and the construction of a new runway in order to accommodate a second terminal and garage. Construction of the first phase of the project will begin in 2007, with the International Gateway being reconfigured and constructed. The extent, to which this plan materializes, however, depends upon passenger growth (Interview with David Whittaker: May 11, 2006). By taking these steps now, and creating new capacity, Columbus is making itself more marketable in the future (*The Lantern*: November 1987).

***Conflict in Expansion:*** Unlike other redevelopment or improvement projects, Port Columbus has evolved with little or no objection from the public. There have been some instances where citizens near the airport have spoken up in opposition to such projects on amenity grounds, but for the most part, the public has not been a concern. This is due to the nature of the way in which these projects have been funded; i.e., with little or no local tax dollars.

When Mayor Rinehart first supported the expansion of several new gates at Port Columbus in 1986, he made it clear that such projects should be funded by private developers and not the public. Although the city's first attempt at getting TWA to establish a hub in Columbus failed, we have seen that the airport still expanded. This expansion was funded by local government bonds, the FAA, and revenue generated from tenants operating in the airport. There was, however, contention regarding the airport's expansion and the city's 50 million dollar tax package in order to attract Trans World Airlines. Although research has not confirmed airlines protesting such a proposal; it is safe to assume some airlines, particularly USAir, would have had issues with this special treatment and blatant favoritism.

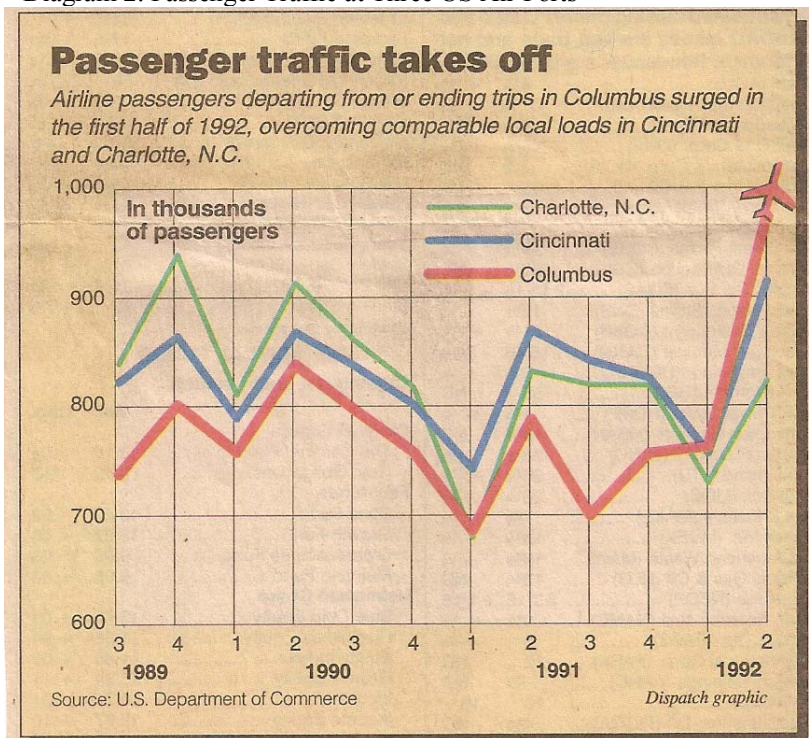
Other comments expressing concern about Port Columbus expanding in the late 1980s centered on whether or not Columbus was even marketable to airlines. As Director of Public Utilities and Aviation for the city of Columbus, Michael Long believed that Columbus was not strategically ready to market itself as a potential hub or mini-hub for a major airline (*Columbus Dispatch*: May 1986). Being one of the fastest growing and prosperous cities in the Midwest at that time, it is difficult to assess the merit of this statement. But in looking back at the extent to



which Columbus has evolved, Mr. Long's comments are well stated. In 1986, the city of Columbus did not have a major convention center, City Center Mall or Nationwide Arena and Arena District. In 1986, Columbus was still trying to find a way to gain an identity and bring business and people back downtown. Mr. Long believed that without such investments downtown, economic

growth would eventually stagnate and there would be no reason for airlines to invest in a city in decline. Those cities that did have airline hubs also had convention centers, major league teams and the facilities to accommodate those teams and other events. Therefore it is not surprising that Columbus never obtained a hub for its airport. As Diagram 2 shows, Port Columbus surpassed both Cincinnati and Charlotte, two

Diagram 2: Passenger Traffic at Three US Air Ports



relatively large hubs for Delta and USAir respectively, in passenger traffic in 1992, but it does not provide any information regarding the number of people making connecting flights. A hub is successful if a considerable number of people are brought in from other locations in order to change planes and reach their final destination. Cities along the east coast, in addition to neighboring cities, such as Cincinnati and Pittsburgh, were already part of well established hub and spoke networks, thus never generating the number of daily passengers needed to sustain mini-hub operations at Port Columbus. And is it not ironic that plans for Port Columbus' expansion are now underway, only after significant investments have been made downtown? Although there is not a distinct correlation between redevelopment projects downtown and the capital improvement projects at Port Columbus, there is reason to suspect a cause and effect relationship.



The other major source of conflict in expanding Port Columbus over the years has resided in the private sector and with other special interests, which have had a stake in the airport's growth. The most obvious is America West; a company which tried to emerge from bankruptcy by expanding its market to the east coast. At the center of this plan was Columbus, a city that held much promise and was strategically located from America West's standpoint. Although operations in and out of Columbus were successful in lowering airfares at the airport, the hub-and-spoke model was not. America West and Port Columbus were not drawing enough business men and women from the east coast to change planes in Columbus to make hub – even *mini-* hub – operations at the airport profitable. When domestic ridership was not able to offset this shortfall, the airline pulled out of Columbus. In 2002 alone, America West had lost \$25 million dollars from its operations in Columbus (*Columbus Dispatch*: February 2003). Although attempts were made to help the unsettled airline in the beginning, Bank One's campaign to raise \$100 million dollars ultimately failed. They failed because the local business community in Columbus was not ready to support and an airline in danger of going under, at the expense of relationships already forged with other airlines. They were particularly uneasy about giving up their sky rewards programs; having accumulated countless points and benefits from flying with a certain airline. But those who remained supportive of America West and its hub included tenants in the airport, local restaurants, hotels and other services that met the needs of air transportation.

***Analysis and Conclusion:*** Although Michaels Long's comments regarding Columbus' marketability were known, they were probably not taken as seriously as they should have been. Marketing in any business requires an individual to have a strategic plan for developing a particular idea, ensuring its success and then presenting that idea clearly and effectively. In the case of Columbus, Mr. Long was right; Columbus was not ready to be marketed effectively, because it did not have the necessary infrastructure in place. It was also surrounded by other communities that had been integrated into the hub-spoke model. Columbus did not have an arena or large convention center. In fact, the center of town was nearly empty after everyone left their offices downtown to go home in the evening.

Its geographic location was also a hindrance, because it was in close proximity to other airports. While still relatively large, Columbus' catchment area in terms of passengers per day is limited and confined predominantly to southeast Ohio. There were probably many instances

where different parties articulated their concerns for expanding the airport, but there were those who publicly and monetarily supported TWA and America West. But the interesting source of conflict deals with the issue of whether a hub was ever viable for Columbus and whether or not the hub and spoke network is efficient today. According to David Whittaker, the hub-spoke model is still an essential part of operations at larger airports. But in the case of Columbus, non-stop flights via direct routes are what the Columbus Regional Airport Authority is trying to attract (Interview David Whittaker, May 11, 2006). If Columbus had had Nationwide Arena and the Greater Columbus Convention Center, along with other development projects, it might have been marketable in the late 1980s and throughout the 1990s. But because the city did not have such things, and because it was considered to be a 'cowtown,' the city was neither marketable nor efficient as a mini hub for America West.

Today, there are significant plans to redesign Port Columbus to meet the needs of a growing metropolitan area. Growth in Columbus is continuous because of the area's sprawling suburbs and continued investments in redeveloping downtown Columbus. Plans to expand Port Columbus will make the city more accessible to businesses and investment and improve the city's marketability. But despite the disappointments surrounding attempts to establish a hub, Port Columbus has continued to grow and is currently in the infancy stages of a 12 year expansion project.

### **Final Thoughts and Conclusion**

After reviewing the literature and completing the case studies, it is clear that the post-industrial city is a carefully crafted and engineered vision of the future. To assist in implementing this vision, the business community has relied heavily on the resources and authority of local, state and federal levels of government. While some may contend that cities are changing their function in society, I would argue that they are simply being restored to the grandeur they once enjoyed. Although new arenas, convention centers, waterfront parks and gentrified communities were not present in cities a century ago, redevelopment projects such as these, are recapturing what the cities lost before suburbanization. By cleaning up city streets, redeveloping blighted neighborhoods and investing in large projects, cities like Columbus, are breathing life back into the central city. Their ally in redeveloping the urban center has primarily come from downtown and local businesses which stand to profit from investments like

Nationwide Arena. The business community has relied heavily on the financial resources and authority of local, state and federal government. Investments like these and others examined in the case study, have inevitably raised property values and bolstered interest in downtown Columbus. While creating this atmosphere should be relatively simple given the legal and financial resources of this coalition, that could not be any further from the truth. Projects involving money from the public have been quite contentious. Residents in Columbus and Franklin County have consistently refused to support projects that do not have substantial private funding. This has made Columbus particularly interesting to study, because facilities like Nationwide Arena tend to be funded by the public elsewhere. Nationwide, to my knowledge is one of the only privately financed facilities of its kind, in the country.

Studying the post-industrial city was a challenging and yet rewarding experience. I was fortunate to have a good example of a post-industrial city in Columbus. Although conflicts surrounding projects over the last two decades have been relatively heated at times between the public, city and business officials, Columbus has emerged as a post-industrial city. Today, the city of Columbus is much more attractive to investors and other businesses. And with Port Columbus International Airport starting its initial phases of expansion, access to Columbus will only improve.

The post-industrial city is a function of an ever changing society. Like change, there is always going to be some resistance. But if a city is committed to restoring its prestige, that can be achieved. One just needs to prepare for a bit of conflict along the way.

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